



March 13, 2008

Certified Mail, Return Receipt Requested

The Rockefeller University
1230 York Avenue
New York, NY 10021
Attn: Office of the General Counsel

Dear Sirs:

As specified under Article 12 of our Agreement dated September 30th, 1992, (attached as Appendix A) with this letter we terminate the Agreement under Section 11.3 for material breach. Rockefeller has breached its warranty under Section 8.1 of the Agreement, which states:

8.1 Rockefeller warrants that it has the right to grant to the full extent thereof the license granted Ligand hereunder and that it has and will discharge their duty of disclosure to the United States Patent and Trademark Office.

Rockefeller did not "discharge their duty of disclosure to the United States Patent and Trademark Office." We have detailed Rockefeller's failure to meet this duty in the attached Appendix B. In summary, in the prosecution of the licensed Rockefeller patents discussed in Appendix B we have identified references of which Rockefeller was aware that were material to the examination of the specified patents, but that were not cited to the Patent and Trademark Office. The references that Rockefeller withheld from the Patent and Trademark Office were material to examination of the specified patents because they render the claims in question obvious when taken alone or in combination with other references. This conduct constitutes a material breach under Section 11.3 of the Agreement.

Furthermore, this breach is incurable. The withholding of such references from the USPTO constitutes inequitable conduct and thus renders the patents listed in Appendix B invalid and unenforceable.

This termination for material breach under Section 11.3 is in addition to our termination of the Agreement under Section 11.2 sent August 9, 2007 (attached as Appendix C). We believe the November 9, 2007 termination date created by the earlier letter to be the effective date for termination of the Agreement. We are simply now providing you notice that we have recently learned of another ground for termination that we are hereby invoking.

Regards,

A handwritten signature in black ink, appearing to read "Charles S. Berkman".

Charles S. Berkman
Vice President, General Counsel and Secretary

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Exhibit "3"
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